

107TH CONGRESS
1ST SESSION

S. 408

To provide emergency relief to small businesses affected by significant increases in the price of electricity.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 2001

Mrs. BOXER (for herself and Mrs. FEINSTEIN) introduced the following bill;
which was read twice and referred to the Committee on Small Business

A BILL

To provide emergency relief to small businesses affected by significant increases in the price of electricity.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Elec-
5 tricity Emergency Relief Act of 2001”.

6 **SEC. 2. SMALL BUSINESS ELECTRICITY DISASTER LOAN**
7 **PROGRAM.**

8 Section 7(b) of the Small Business Act (15 U.S.C.
9 636(b)) is amended by inserting after paragraph (3) the
10 following:

1 “(4)(A) In this paragraph, the term ‘sharp and
2 significant increase’ shall have the meaning given
3 that term by the Administrator, in consultation with
4 the Secretary of Energy.

5 “(B) The Administration may make such dis-
6 aster loans, including revolving lines of credit, either
7 directly or in cooperation with banks or other lend-
8 ing institutions through agreements to participate on
9 an immediate or deferred basis, to assist a small
10 business concern that has suffered or that is likely
11 to suffer substantial economic injury as the result of
12 a sharp and significant increase in the price of elec-
13 tricity.

14 “(C) Any loan or guarantee extended pursuant
15 to this paragraph shall be made at the same interest
16 rate as economic injury loans under paragraph (2).

17 “(D) No loan may be made under this para-
18 graph, either directly or in cooperation with banks
19 or other lending institutions through agreements to
20 participate on an immediate or deferred basis, if the
21 total amount outstanding and committed to the bor-
22 rower under this subsection would exceed
23 \$1,500,000, unless such applicant constitutes a
24 major source of employment in its surrounding area,
25 as determined by the Administration, in which case

1 the Administration, in its discretion, may waive the
2 \$1,500,000 limitation.

3 “(E) For purposes of assistance under this
4 paragraph—

5 “(i) a declaration of a disaster area shall
6 be required, and shall be made by the President
7 or the Administrator; or

8 “(ii) if no declaration has been made pur-
9 suant to clause (i), the Governor of a State in
10 which a sharp and significant increase in the
11 price of electricity has occurred may certify to
12 the Administration that small business concerns
13 have suffered economic injury as a result of
14 such increase and are in need of financial as-
15 sistance which is not available on reasonable
16 terms in that State, and upon receipt of such
17 certification, the Administration may make such
18 loans as would have been available under this
19 paragraph if a disaster declaration had been
20 issued.”.

21 **SEC. 3. GUIDELINES.**

22 Not later than 30 days after the date of enactment
23 of this Act, the Administrator of the Small Business Ad-
24 ministration shall issue such guidelines as the Adminis-

1 trator determines to be necessary to carry out this Act
2 and the amendments made by this Act.

3 **SEC. 4. EFFECTIVE DATE.**

4 The amendments made by this Act shall apply to eco-
5 nomic injury suffered or likely to be suffered as the result
6 of sharp and significant increases in the price of electricity
7 occurring on or after June 1, 2000.

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